

FISCAL NOTE

SJR 528

January 19, 2000

SUMMARY OF BILL: (1) Proposes to amend Article II, Section 28, of the Tennessee Constitution to prohibit the General Assembly from levying any tax that is measured by income of natural persons but shall not be construed to abridge or repeal the power of the General Assembly to levy a tax upon incomes derived from stocks and bonds that are not taxed ad valorem; and (2) Requires the foregoing amendment to be referred to the 102nd General Assembly and published by the Secretary of State in accordance with Article XI, Section 3, of the Constitution of Tennessee.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$20,000 One-Time

Assumes a cost of \$20,000 to the Secretary of State to print notice of the proposed amendment in certain newspapers as required by this resolution.

For information purposes, the following should be noted: a one percent tax on income is estimated to generate net revenues in excess of \$650,000,000. Any amounts generated would be dependent on exemption levels and deductions established.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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